
DIGEST

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HB 524 Reengrossed

2023 Regular Session

LaCombe

Abstract: Authorizes the self-distribution of alcoholic beverages under certain conditions.

Present law provides relative to the Alcohol Beverage Control Law.

Present law provides for definitions of alcoholic beverages for low and high alcoholic content.

Proposed law retains present law and adds definitions for distill, distilling, and distilled, manufacturing distillery or manufacturing distiller, and self-distribution.

Proposed law provides requirements for self-distribution. Manufacturing distillers who produce less than 4,000 gallons of distilled alcoholic beverages annually may self-distribute to retailers with certain Class A, Class B, and Class C permits.

Proposed law provides that manufacturing distillers may self-distribute if the following conditions are met:

- (1) No more than 4,000 gallons of alcoholic beverages distilled at the manufacturing distillery may be self-distributed to all retailers annually. The product shall be offered at a standard price to all retailers.
- (2) The manufacturing distiller or manufacturing distillery does not have an existing distribution agreement with a permitted wholesale dealer.
- (3) The manufacturing distiller or manufacturing distillery owns or leases warehouse space that shall be maintained in a separate area from the distillation equipment.
- (4) The manufacturing distiller or manufacturing distillery owns or leases delivery equipment dedicated for the primary use of distribution and delivery of only those products distilled at the manufacturing distillery.
- (5) The manufacturing distiller shall remit all state sales and excise taxes on all alcoholic liquors distilled at its manufacturing distillery that are self-distributed.
- (6) The manufacturing distiller or manufacturing distillery shall provide a monthly report of all sales from the manufacturing distillery and all sales from self-distribution to the office of alcohol and tobacco control.

Present law (LAC Title 55, Part VII) provides for rules and regulations regarding alcohol and tobacco control in the Louisiana Administrative Code.

Present law provides a fee schedule for those engaged in the business of dealing in alcoholic beverages of high alcoholic content.

Proposed law retains present law and adds that manufacturing distillers engaged in self-distribution shall pay a \$1,500 permit fee.

Proposed law provides that a manufacturing distiller who operates a manufacturing distillery entirely located in this state may host contracted private events held at a manufacturing distillery if the following conditions are met:

- (1) A copy of the lease is provided to the commissioner at least 10 days prior to the event.
- (2) The manufacturing distiller may charge a reasonable rental fee to the third party for the contracted private event.
- (3) The manufacturing distiller may serve to guests beer manufactured at that licensed facility. The manufacturing distiller shall not charge the third party more than its standard prices for such products.

(Amends R.S. 26:142; Adds R.S. 26:2(35), (36), and (37), 71(A)(1)(c), 82.1, and 90.1)

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Make technical changes.